

Please amend claim 5 as follows:

a1  
5. The trading system of claim 2 wherein said host computer comprises means for declaring a matched trade upon receipt by the host computer of a first bid specifying a side of [a] the trading instrument and a price per unit that is less than said fixed face value and the subsequent receipt by the host computer of a second bid specifying the opposing side of said [contract] trading instrument and a price per unit that is also less than said fixed face value, where the sum of the prices per unit specified in said first bid and said second bid are in the aggregate at least equal to the fixed face value of said trading instrument.

Please amend the opening phrase of claim 6 as follows:

6. The trading system of claim [2] 5 wherein said host computer . . .

Please amend element (b) of claim 11, to read as follows:

(b) means for traders to submit bids to purchase, at a price per trading instrument unit always less than said fixed face value, at least one unit of either side of said trading instrument,

Please amend element (c) of claim 17, to read as follows:

a2  
(e) said host computer declaring a matched trade upon receiving a first bid specifying one side of said trading instrument and a second bid specifying the opposing side of said instrument, where said first bid and said second bid are each less in amount than said face value and the sum of the prices per unit specified in said first bid and said second bid at least equals said face value.

#### REMARKS

In response to the first Office Action (Paper No. 4) mailed May 17, 2000, applicants have amended the preamble of each of independent claims 1, 11, 14, and 17, to recite a trader-controlled trading system or method, and thereby better distinguish these claims, and all claims dependent from them, from Lancaster, taken alone or in combination with Midorikawa under §103. Said amendments are directed to further defining the present invention as set forth in said claims as concerning a *trader-controlled* person-to-person trading system wherein all